



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Parking Citation Processing Contract Extension

MEETING DATE: June 7, 1995

PREPARED BY: Maxine Cadwallader, Revenue Manager

RECOMMENDED ACTION: That the City Council adopt the attached resolution and authorize a one year extension to the contract with Enforcement Technology to process parking citations.

BACKGROUND INFORMATION: The existing agreement between Enforcement Technology and the City of Lodi was entered into on May 5, 1993. The agreement permits the term to be automatically renewed annually for additional one year periods.

Enforcement Technology officers have verbally communicated that they normally enter into contracts for three year periods and are willing to extend the contract for an additional year under the same terms, conditions and rate of compensation.

RECOMMENDATION: Staff recommends the contract be extended for an additional year based on the fact that Enforcement Technology has met the terms and conditions of the agreement in a satisfactory manner and supplied the reports as agreed to in the contract.

FUNDING: \$5,000.00
Revenue Budget

H. D. Flynn
Finance Director

APPROVED: _____

THOMAS A. PETERSON
City Manager



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AGREEMENT FOR PROCESSING PARKING CITATIONS

This Service Agreement is made by and between Enforcement Technology, Inc., hereinafter referred to as "Contractor" and the City of Lodi, hereinafter referred to as "Agency" and entered into this 5th day of May 1993.

The parties intend by this Agreement to provide for the processing of fines, penalties and forfeiture thereof, in connection with the issuance of citations for illegal parking pursuant to the laws of the State of California. In the furtherance of this purpose, the parties do hereby agree to the following terms and conditions:

ARTICLE I - PROCESSING

1.1 REFERRAL AND RECONCILIATION. Contractor shall receive and process parking citations which the Agency mails or delivers to it. The Agency shall deliver, mail or transmit all parking citations issued each month. Contractor will provide a daily reconciliation of the number of citations delivered by the Agency.

1.2 COMPUTER PROGRAMS AND HARDWARE. Contractor will provide all the computer programs, written procedures and other supporting items used in carrying out the purpose of this Agreement. AutoCITES will be provided by Contractor at a rate of \$100.00 each per month, if so desired by the Agency. All such hardware and software are and will remain the property of the Contractor. Insurance coverage will be provided by the Agency against damage, loss and/or theft of any and all computer hardware, software and/or equipment supplied by the Contractor and used by the Agency at the Agency location.

1.3 PROCESSING. Citations issued by the Agency will be entered into the system and cleared upon disposition. Requests for Registered Owner information will be sent to the appropriate Departments of Motor Vehicles (DMV), via on-line inquiry. The Notice of Illegal Parking (NOI) will be generated to the Registered Owner and the penalty or fine amount requested. Return payments will be made directly to the Agency. DMV registration holds will be placed on vehicles having unpaid parking fines and fees due against those vehicles according with the California Vehicle Code and other applicable State and local laws. The Agency will be responsible for any and all Court, State, and DMV charges for the hold placement. DMV holds shall be removed through DMV when the registered owner satisfies the entire amount of parking citation fines, fees and penalties due against the vehicle. Once the citations have been entered into the system, it will be the Contractor's responsibility to complete all the processing required by the Agreement, even after the termination of the Agreement.

1.4 SUSPENSION OF PROCESSING. Contractor shall suspend processing any citation referred to it for processing upon written notice to do so by the Agency. Contractor shall maintain records indicating any suspension of a citation as a result of Agency's request. Contractor shall be paid the contractual rate hereinafter provided for processing these suspended citations.

1.5 COMPUTER SYSTEM. Contractor, under Additional Service Options, can provide Agency with dial-up or on-line inquiry capability at the Agency location for inquiry into the system for retrieval of parking citation information. This capability will be in the form of a modem and an asynchronous terminal at the Agency location and will be charged at the then prevailing rates.

1.6 CONTESTED CITATIONS. In the event a registered vehicle owner disputes the liability for the outstanding parking citation, the Contractor shall advise the registered vehicle owner of his/her right to request a court/hearing appearance.

1.7 CITATIONS DISPOSED OF BY THE COURT OR HEARING BOARD. The Contractor may be required, as a result of court or hearing action, to reduce or cancel, on an individual basis, parking citations which have been referred to it. Contractor shall be paid the contractual rate hereinafter provided for processing the citation regardless of the outcome of the court/hearing action. Contractor shall maintain records indicating any reduction or cancellations of parking citations as a result of court/hearing action.

1.8 AGENCY PROCESSING. The Agency may elect to assume the majority of the processing described in section 1.3 above at a time most beneficial to the Agency. Contractor will continue to provide the DMV interface for registered owner information and hold placement and removal but all other processing functions will be the Agency's responsibility. The corresponding compensation to the Contractor for this level of service is listed in Option 2 of the Schedule of Fees.

1.9 OUT-OF-STATE CITATIONS. Out-of-State citations will be entered and processed the same as in-state citations. If they become delinquent a collection follow-up process will be completed by the Contractor. Requests for registered owner information will be sent to the appropriate state agency and delinquent notices will be mailed. The fine and penalty amounts will be requested from the registered owner and instructions issued for payment to be to the Agency.

ARTICLE II - GENERAL

2.1 PUBLIC INQUIRIES. Telephone calls, correspondence will be processed by the Contractor. Matters of a judicial nature or administrative review that may come to the attention of the Contractor, will be referred to, handled and scheduled by the "Agency."

2.2 CONTRACTOR LIMITATIONS. Contractor may not do any of the following without Agency's prior approval, in writing:

1. Take any legal action;
2. Threaten any legal action; or --
3. Make any communication, oral or written, regarding potential legal action.

2.3. USE OF APPROVED FORMS. All forms, delinquency notices and correspondence sent by the Contractor must conform to State and local law.

ARTICLE III - COMPENSATION

The Agency shall compensate the Contractor for services according to the Schedule of Fees attached hereto and the terms of this section 3.

3.1 PROCESSING SERVICES. For performance of the processing services described in section 1, the Agency will pay the Contractor the rate set forth on the Schedule of Fees, Attachment A, for each parking citation processed by the Contractor, regardless of the ultimate disposition or processability of such citation. Out-of-State follow-up Collection Services and Special Collection Processing Services are in addition to regular processing and described in the Schedule of Fees.

3.2 BILLING AND PAYMENT PROCEDURES. Contractor shall provide the Agency on a monthly basis with a statement and fee analysis which accurately reflects the fees earned during the preceding period. The Agency shall pay this invoice within fifteen (15) days. In the event of a dispute as to the fees earned and payment expected both parties shall use their best efforts to resolve the disputed items.

3.3 CONTRACT ADJUSTMENTS. If the postal rates increase during the term of this Agreement, the compensation the Agency has agreed to pay the Contractor shall be raised immediately to offset the direct effect of the postal increase paid by the Contractor.

ARTICLE IV - TERM OF AGREEMENT

for two (2) years and shall commence upon the approval as attested by the signing by the Agency and the Contractor.

4.2 The term of the Agreement will automatically be renewed annually for additional one (1) year periods by the mutual agreement of both parties.

4.3 Price increases may be requested by the Contractor, thirty (30) days prior to the anniversary date of the Agreement. Agency approval shall be required for any increase in price, except postage under Paragraph 3.3.

4.4 This Agreement may be terminated by either party upon thirty (30) days written notice to the other party, after sixty (60) days from the date of execution of the Agreement.

ARTICLE V - CONFIDENTIALITY

5.1 MATERIALS CONFIDENTIAL. All reports, information, data files and tapes furnished or prepared by the Contractor, it's sub-contractors, successors or assigns (to the extent hereinafter allowed) for the purpose of transmittal to the Agency pursuant to this Agreement are confidential.

5.2 CONSENT REQUIRED FOR DISCLOSURE. No report, information, data files or tapes furnished or prepared by the Contractor or it's sub-contractors, successors or assigns, shall be made available to any individual or organization without the prior written approval of the Agency, other than individuals or organizations who are reasonably necessary to effectuate the terms and conditions of this Agreement.

ARTICLE VI - CLAIMS AND ACTIONS

6.1. REASONABLE ASSISTANCE OF CONTRACTOR. In the event any claim or action is brought against the Agency relating to Contractor's performance or services rendered under this Agreement, the Contractor shall render any reasonable assistance and cooperation which the Agency might require.

6.2 AGENCY COOPERATION. In the event any claim or action is brought against the Contractor relating to the Contractor's performance of services rendered under this Agreement, the Agency, in writing, within five (5) days, of said claim or action. Agency shall render any reasonable assistance and cooperation which the Contractor might require.

6.3 INDEMNIFICATION BY CONTRACTOR. Contractor agrees to indemnify and hold Agency harmless against any and all liability, costs, and expenses, including attorney's fees, occasioned by claims or suits for loss or damages arising out of acts of the agents, servants, employees, successors, or assigns (to the extent hereinafter allowed) of the Contractor during the term of this Agreement.

6.4 INDEMNIFICATION BY AGENCY. Agency agrees to indemnify and hold Contractor harmless against any and all liability, costs, and expenses, including attorney's fees, occasioned by claims or suits for loss or damages arising out of acts of the agents, servants, employees, successors, or assigns (to the extent hereinafter allowed) of the Agency during the term of this Agreement.

6.5 INSURANCE. Contractor shall, at its expense, provide general public liability insurance, in an amount not less than \$1,000,000.00, with the Agency named as an additional insured, and with the insurance carrier and form of policy subject to approval by the Legal Council of Agency. Contractor shall provide a certificate of insurance, showing the Agency, its officers and employees, as an additional insured, with a provision that the policy shall not be canceled or terminated except upon thirty (30) days prior written notice to Agency. Upon request by Agency, Contractor shall furnish the original or a copy of such insurance coverage, which shall be maintained at all times during the term of this agreement. In addition to the said liability insurance, Contractor shall provide and maintain workers' compensation insurance as required by law and shall furnish a certificate to the Agency showing such coverage in effect.

ARTICLE VII - SUB-CONTRACTING AND ASSIGNMENTS

7.1 SUB-CONTRACTING. No sub-contracting of duties by contractor shall be allowed without prior consent of Agency except in emergencies. For purposes of this paragraph, an emergency is defined as an unforeseeable event which would otherwise make it impossible or impractical for contractor to reasonably perform.

7.2 ASSIGNMENTS. This Agreement may not be assigned without the prior written consent of the Agency.

ARTICLE VIII - INDEPENDENT CONTRACTOR

8.1 CONTRACTOR'S RELATIONSHIP. The Contractor's relationship to the Agency in the performance of this Agreement is that of an independent Contractor. Personnel performing services under this Agreement shall at all times be under the Contractor's exclusive direction and control and shall be employees of the Contractor and not employees of the Agency. Contractor shall pay all wages and salaries and shall be responsible for all reports and obligations respecting them relating to social security, income tax withholding, unemployment compensation, worker's compensation and similar matters. Neither Contractor nor any agent or employee of Contractor shall obtain any right to retirement benefits or other benefits which accrue to employees of the Agency, and Contractor hereby expressly waives any claim it might have to such rights.

8.2 EQUAL OPPORTUNITY EMPLOYER. Contractor is an Equal Opportunity Employer and does not discriminate in the hiring, firing, or other employment practices engaged in by it.

ARTICLE IX - ENTIRE AGREEMENT

9.1 INTEGRATED AGREEMENT. This contract is intended by the parties as a final expression of their Agreement and also as a complete and exclusive statement of the terms thereof, any prior oral or written Agreement regarding the same subject matter notwithstanding. This Agreement may not be modified or terminated orally, and no modification or any claim of waiver of any of the provisions shall be effective unless in writing and signed by both parties.

9.2 LAW APPLICABLE. Contractor agrees to comply with all laws within the State of California governing the conduct of business, including but not related to laws pertaining to licenses, taxes, corporate regulations, and collection practices.

9.3 NOTICES TO PARTIES. Any notice required under this Agreement to be given to either party may be given by depositing in the United States mail, postage paid, first-class, a notice

addressed to the following:

Contractor:

Enforcement Technology, Inc.
3002 Dow Avenue - Suite 502
Tustin, CA 92680

Agency:

City of Lodi
Finance Department
221 W. Pine Street
Lodi, CA 95241-1910

WHEREFORE the parties hereto have entered into the Agreement on the day and year first hereinabove written. The agreement is to be prepared in duplicate and after acceptance by the Agency, a duplicate copy shall be forwarded to the Contractor.

ENFORCEMENT TECHNOLOGY, INC.:

By

Linda H. Ford
Title *Vice President*

CITY OF LODI:

By

Thos. A. Peterson
Title Thomas A. Peterson
City Manager

ATTACHMENT A
SCHEDULE OF FEES

The processing fee per citation for the period of this Agreement will be based on one of the following options:

Option #1 - Service Bureau

RATE PER CITATION ISSUED: \$1.00 (Level A through C)
All costs of base citation processing are included in this price.

AutoCITE HANDHELD COMPUTERS: \$100/AutoCITE/Month
The AutoCITE units will be available on a monthly rental basis of \$100 per month per each AutoCITE Model 160 (\$125 for the Model 288). Use of the AutoCITE system provides for electronic data entry and electronic transfer of citation data to the ETEC Processing Center. A data entry fee of \$.25 will be charged per citation issued manually.

OUT-OF-STATE FOLLOW-UP COLLECTION PROCESSING: The fees for Out-of-State citation follow-up collection processing shall be forty percent (40%) of the revenue received on Out-of-State citations that become delinquent.

BACKLOG CITATION PROCESSING: All original citations, accompanied by all dispositions for the same period, defined as the backlog, will be processed by Contractor at \$1.00 per citation.

ADDITIONAL FEES: A second notice, after the delinquent notice of illegal parking, may be sent to lessees, second registered owners and second addresses for an additional fee of \$.39 per notice, which includes postage.

HABITUAL OFFENDER LETTERS: Habitual Offender Letters will be prepared on city letterhead or on Parking Enforcement Center (ETEC) letterhead or both, accompanied by corresponding delinquent citation information from the habitual offender hotsheet report at a rate of \$.59 per letter mailed.

*** A MINIMUM FEE OF \$300 PER MONTH (Includes 0 AutoCITEs)
WILL BE CHARGED ON ALL MONTHLY INVOICES**

**Option #2 - In-House Operation by
Agency with DMV Interface by ETEC**

RATE PER CITATION ISSUED: \$.50

AutoCITE HANDHELD COMPUTERS: \$100/AutoCITE/Month

*** A MINIMUM FEE OF \$300 PER MONTH (Includes 0 AutoCITEs)
WILL BE CHARGED ON ALL MONTHLY INVOICES**



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: PARKING TICKET COLLECTION

MEETING DATE: May 5, 1993

PREPARED BY: Dixon Flynn, Finance Director

RECOMMENDED ACTION: That the City Council authorize the City Manager to enter into an agreement with Enforcement Technology, Inc. to process parking tickets issued by the City, send notices for delinquency, and forward unpaid fees to the Department of Motor Vehicles (DMV) for registration hold, if necessary. The contract will be for a period of two years at a cost of \$1.25 per ticket.

BACKGROUND INFORMATION: In April of 1992, the Council approved a contract with West Computil Corporation to provide a parking ticket collection program. West Computil Corporation is no longer in business due to bankruptcy. Currently revenue receipt is being handled by Finance Staff.

SERVICES REQUESTED:

Five vendors were contacted by Finance staff and invited to respond to selected criteria.

- * Receive and maintain a data base of parking tickets
- * Provide a toll free 800 telephone number.
- * Provide courtesy notifications to violators who have not paid their parking tickets.
- * Issue "computer generated" DMV holds.
- * Provide the City with reports as to collection status, number of tickets issued, number of tickets issued by officer, status of DMV holds.
- * Allow City to continue revenue collection.

SELECTION PROCESS:

All vendors were invited to be interviewed by a panel of Finance and Police Department staff. Three accepted. The purpose of these presentations was to give the panel an opportunity to evaluate selected criteria in addition to price per ticket.

(1)

APPROVED: _____

THOMAS A. PETERSON
City Manager



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(2)

THE MEMBERS OF THE SELECTION COMMITTEE WERE: Maxine Cadwallader, Revenue Manager, Finance; Vicky McAthie, Accounting Manager, Finance; Larry Hansen, Acting Police Chief, Police Dept.; Sandra Meyers, Secretary, Police Dept.; Sherry Sanchez and Jacquie Kreps, Parking Enforcement Assistants, Finance.

IN ADDITION, THE CRITERIA USED FOR SELECTION WAS AS FOLLOWS;

	<u>Points</u>
* Offices in Northern California.	20
* Responsive to questions.	10
* Submitted client lists, as requested.	15
* Supplied sample reports, as requested.	15
* Will allow City of Lodi to record revenue.	10
* Will provide an 800 number for telephone inquiries.	10
* Price per ticket (15 points for lowest, 10 for medium, 5 for highest).-----	
* Term of contract (15 points for 1 yr., 10 for 2 yr., 5 for 3 yr. or not stated.-----	
* Subs parts of contract out.	-10
* Additional charges for postage.	-10

<u>Company</u>	<u>Price per Ticket</u>	<u>Points</u>
Enforcement Technology, Inc.	\$1.25	85
Phoenix Group	\$1.05	65
Turbo Data	\$2.40	45
City of Inglewood	\$1.17	30

RECOMMENDATION:

That the City Manager be authorized to enter into a contract with Enforcement Technology, Inc. for a period of two years to receive, maintain and be instrumental in the collection of unpaid parking tickets.


H. D. Flynn
Finance Director

Citation Processing Activity Report
and Disposition Analysis - Calendar 1994

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Description	December	Calendar YTD
New Citations Entered	321	2,698
R/O Inquiries Sent	110	1,864
R/O Info Received - 1st R/O	101	1,686
1st Notices Sent	0	1,077
2nd Notices Sent	0	0
Lessee Updates	2	2
Lessee Notices Sent	0	0
2nd Owner Updates	39	39
2nd Owner Notices Sent	0	0
2nd Address Updates	18	18
2nd Address Notices Sent	0	0
DMV Registration Holds Placed	16	579
DMV Registration Holds Released	76	172
Stop Processing	0	45

Citations Paid (Count):		
Paid On Citation	166	621
Paid After 1st Notice	24	151
Paid After 2nd Notice	0	0
Paid After Lessee/Rental Notice	0	0
Paid After 2nd Owner Notice	0	0
Paid After 2nd Address Notice	0	0
Paid After DMV Hold Placed	1	3
Paid At DMV	21	21
NSF Reactivated Citations	0	0
Total Citations Paid:	212	796

Other Dispositions:		
Court Processed	0	6
Voided by Issuer	0	0
Dismissed by Issuer	1	149
Sent to Outside Processor	0	36
Total Other Dispositions:	1	191

Sample Report

CITY OF LODI
Citation Processing Activity Report
and Disposition Analysis - Calendar 1994
Page: 2

01/04/95

Description	December	Calendar YTD
Dollars Collected (ETEC):		
Paid On Citation	2,050.50	12,565.50
Partial Paid On Citation (9)	213.00	5,320.00
Paid After 1st Notice	436.50	3,299.50
Paid After 2nd Notice	0.00	0.00
Paid After Lessee/Rental Notice	0.00	0.00
Paid After 2nd Owner Notice	0.00	0.00
Paid After 2nd Address Notice	0.00	0.00
Paid After DMV Hold Placed	50.00	107.00
Paid NSF Service Fees (0)	0.00	45.00
Total Dollars Collected (ETEC):	2,750.00	21,337.00

Dollars Collected (DMV):		
Paid At DMV (Less NSF Fees)	933.00	933.00
Paid At DMV (NSF Fees) (0)	0.00	0.00
Total Dollars Collected (DMV):	933.00	933.00

AutoSPARK

CITY OF LODI
Monthly County Payment Report
Month Ending 12-31-94

01/04/95

Description of Activity	Cites	Violations	\$/Viol	Total
Paid Cites Issued Before 12-01-91				
Paid at the Processor	0	0	0.00	0.00
Paid at the DMV			0.00	0.00
Paid Cites Issued After 12-01-91				
Paid at the Processor	191	192	5.00	960.00
Paid at the DMV	21	21	5.00	105.00
TOTAL COUNTY PAYMENT DUE NOW:				1,065.00

SAMPLE REPORT

RESOLUTION NO. 95-76

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING A ONE YEAR EXTENSION TO THE
PARKING CITATION PROCESSING AGREEMENT

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WHEREAS, on May 5, 1993 the City of Lodi entered into an agreement with Enforcement Technology (hereinafter referred to as "Contractor"), for the purpose of processing City of Lodi parking citations; and

WHEREAS, the term of the agreement was for two years with an option to renew annually for additional one (1) year periods by mutual agreement of both parties; and

WHEREAS, the Contractor has expressed intent to exercise the option to continue the agreement under the same terms, conditions and rate of compensation.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that staff is hereby authorized to renew the agreement with Enforcement Technology for an additional one (1) year period, under the same terms, conditions and rate of compensation for the processing of City of Lodi parking citations.

Dated: June 7, 1995

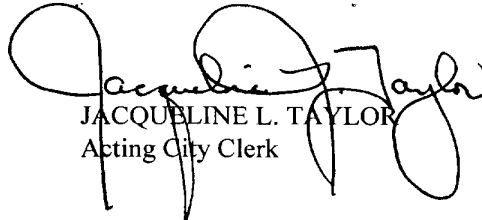
I hereby certify that Resolution No. 95-76 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 7, 1995 by the following vote:

AYES: Council Members - Davenport, Pennino, Sieglock, Warner and
Mann (Mayor)

NOES: Council Members - None

ABSENT: Council Members - None

ABSTAIN: Council Members - None


JACQUELINE L. TAYLOR
Acting City Clerk